Improving housing outcomes for Australians

Social Bond Report 2023–24

Australian Government

Housing Australia

Blak Douglas, *Colour Bonding*, 2022, synthetic polymer paints on linen, 100 x 150 cm, Housing Australia, Sydney.

Colour Bonding (2022)

Colour Bonding is an artwork created for Housing Australia by Archibald Prize winning artist, Blak Douglas. It was commissioned by Housing Australia as part of our Reconciliation Action Plan journey.

This artwork encapsulates Housing Australia's commitment to improving housing outcomes for Australians. The housing structures depicted in the artwork are simple but reflect that housing and a sense of home is a basic human need and fundamental to the wellbeing of all Australians.

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Contact details

We welcome any feedback about this report.
Please direct feedback to:

Chief Corporate Affairs Officer
Housing Australia

Level 23, 420 George Street, Sydney NSW 2000

Email: enquiries@housingaustralia.gov.au

Telephone: 1800 549 767

ABN: 22 498 714 570

@housing_aus @housingaustralia

Acknowledgement of Country and Traditional Custodians

Housing Australia acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and communities.

We pay our respects to them and their cultures and to Elders past and present.

Cover image: Building Communities (Vic) Limited housing, Melbourne. Image supplied by Tetris.

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About Housing Australia

Our purpose is to improve housing outcomes by helping more Australians to access affordable, safe and secure housing.

Housing Australia (formerly the National Housing Finance and Investment Corporation) is the independent national housing authority that supports the delivery of Australian Government programs to improve the supply of sustainable, long-term social and affordable housing and support home ownership for more Australians.

Housing Australia makes loans and provides grants to help finance social and affordable housing, including the critical infrastructure needed to unlock and accelerate new housing supply. It does this through the Affordable Housing Bond Aggregator (AHBA); National Housing Infrastructure Facility (NHIF); Housing Australia Future Fund Facility (HAFFF); and National Housing Accord Facility (NHAF).

Housing Australia also administers the Home Guarantee Scheme (HGS) to support eligible homebuyers to buy a home sooner. Housing Australia works with participating lenders to facilitate loans to enable eligible home buyers to purchase a home with a smaller deposit and without the need for lenders mortgage insurance.

Housing Australia was established under the *Housing Australia Act 2018* (Housing Australia Act) and is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Under the PGPA Act, the Board as the governing body is the accountable authority of Housing Australia.

Our purpose

Housing Australia's purpose is to improve housing outcomes for Australians by:

Strengthening
efforts to increase the supply of housing

Encouraging
investment in housing (particularly in the social or affordable housing sector)

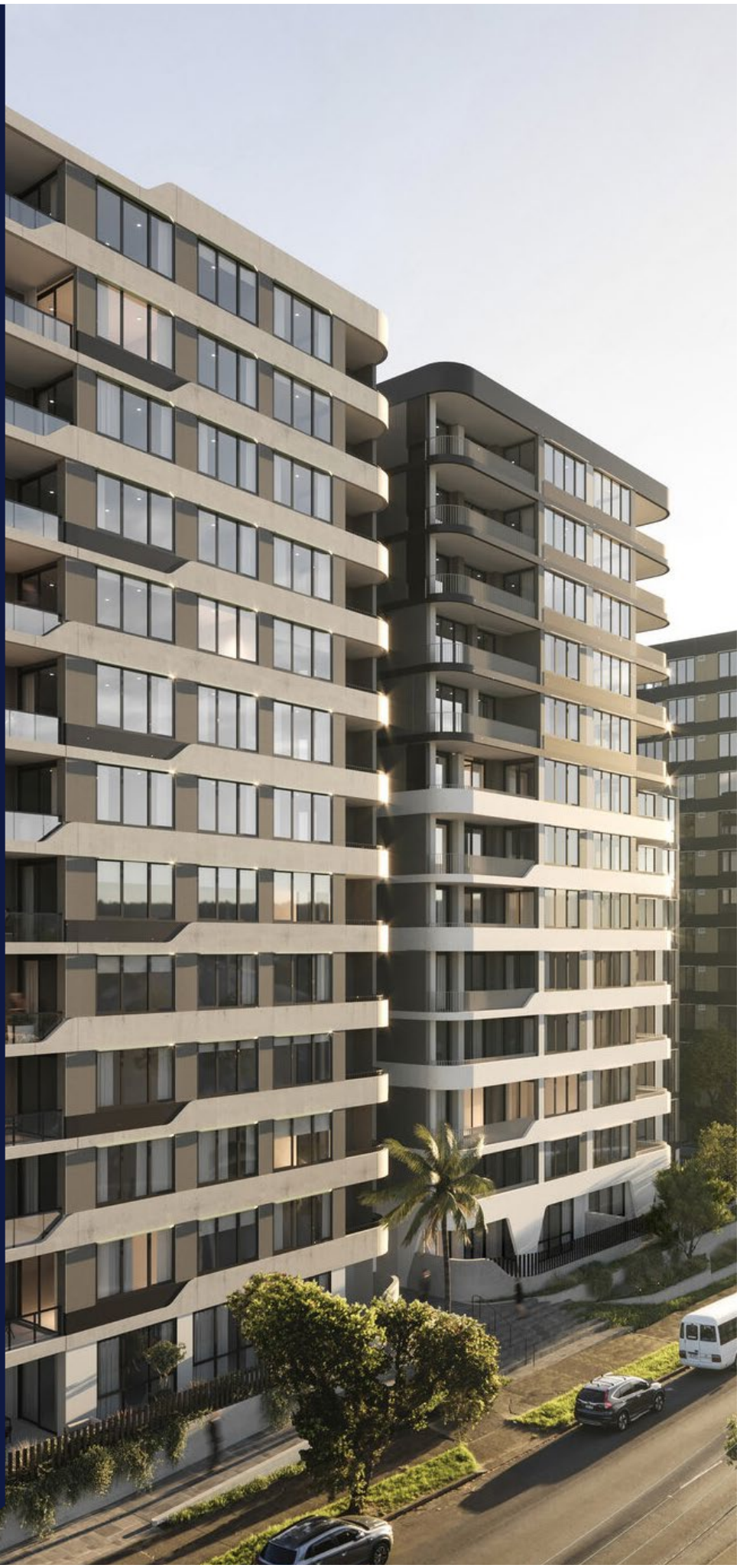
Providing
finance or grants that complement, leverage or support Commonwealth, state or territory activities relating to housing

Contributing
to the development of the scale, efficiency and effectiveness of the community housing sector in Australia

Assisting
earlier access to the housing market by eligible home buyers.

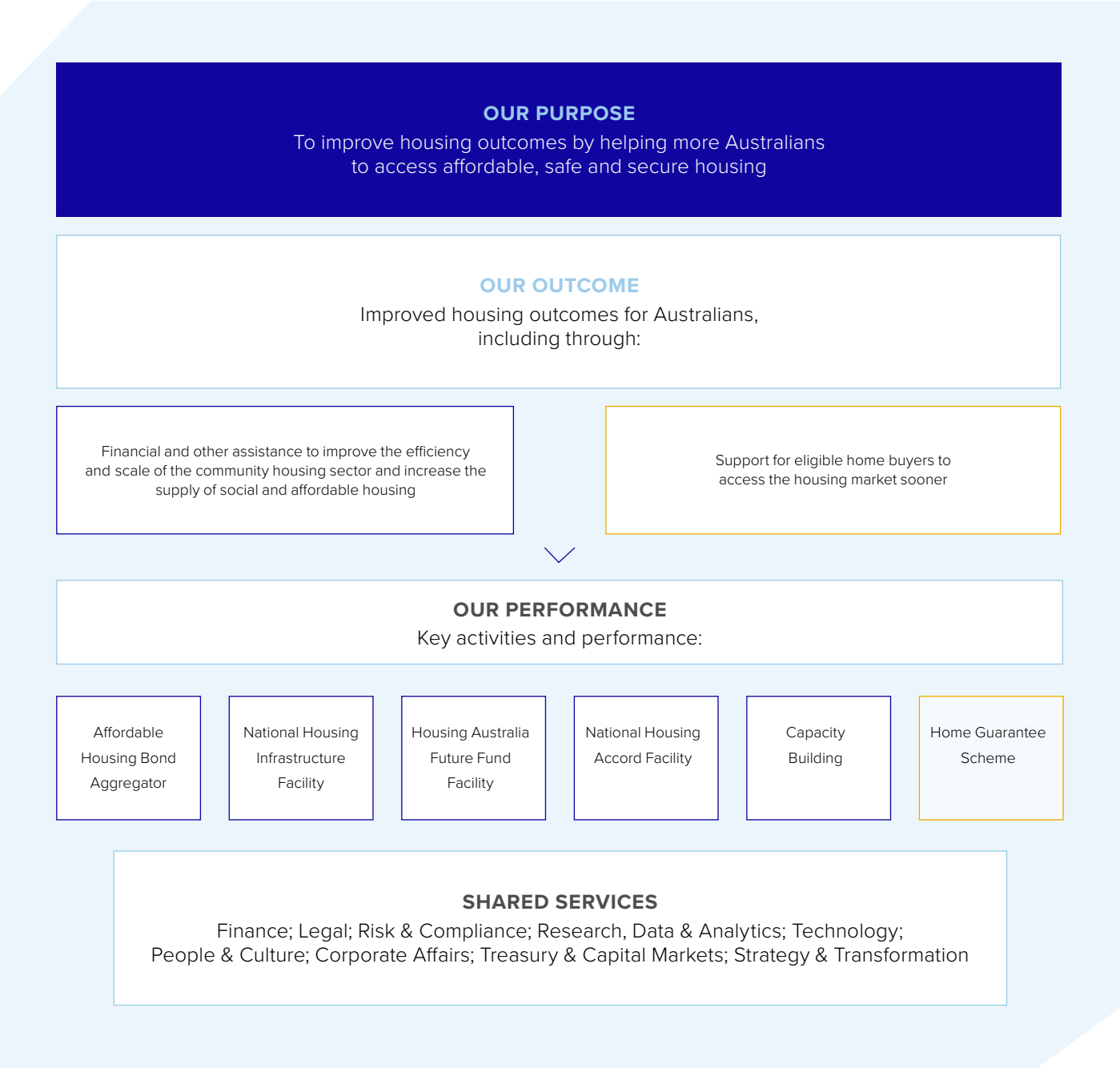
The relationship between Housing Australia's purpose, outcome[1] and key activities are shown at Figure 1.

1. Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Housing Australia's outcome is articulated in Commonwealth Budget documentation (2024–25 Portfolio Budget Statement Treasury Portfolio).



Evolve Housing, Western Sydney, NSW.

Figure 1: Housing Australia's purpose



Our impact and activities[2]

$4.1b
loans to CHPs approved by Housing Australia Board, supporting 18,800+ social and affordable homes

$740m
estimated interest and fee savings for CHPs[3]

31
individual CHP and 14 sector-wide capacity building grants

$2.6b+
in bonds across 7 bond issuances

2. Since establishment on 30 June 2018.
3. The total interest savings amount reported is a projection calculated at the time of approval and may vary to the final savings realised by the borrower.

2023–24 highlights

Opened first funding round of the Housing Australia Future Fund Facility and National Housing Accord Facility programs

$876.8m

loans to CHPs approved by Housing Australia Board, supporting 2,400+ social and affordable homes

$140m

estimated interest and fee savings for CHPs[4]

4. The total interest savings amount reported is a projection calculated at the time of approval and may vary to the final savings realised by the borrower.

Building Communities (Vic) Limited (BCVL).

Message from the Chair and CEO

We're pleased to present Housing Australia's sixth Social Bond Report which provides information on our issuance of social and sustainability bonds.

In October 2023, the Australian Government expanded our mandate, at the same time renaming the organisation Housing Australia (formerly the National Housing Finance and Investment Corporation).

The expanded mandate includes primary responsibility for co-investment financing to support the delivery of 40,000 social and affordable homes through the Housing Australia Future Fund Facility (HAFFF) and National Housing Accord Facility (NHAF); as well as an additional $1 billion for the National Housing Infrastructure Facility (NHIF) targeting social housing for specific cohorts. These programs will help deliver social and affordable homes to Australians in need, including dwellings for women and children escaping domestic violence, Veterans, First Nations people and key workers.

Together with the Affordable Housing Bond Aggregator (AHBA), the HAFFF and NHAF are expected to support a pipeline of eligible projects meeting Housing Australia's Sustainability Bond Framework and translating into Housing Australia becoming a regular issuer of social and sustainability bonds.

As an issuer, we exclusively issue social and sustainability bonds and are uniquely positioned to provide concessional finance to the community housing sector. Our programs also help establish the viability of social and affordable housing as an asset class in Australia.

Since 2019, Housing Australia has issued a total of $1.8 billion in social bonds to finance social and affordable housing.

Housing Australia also issued sustainability bonds in June 2021 and November 2023, collectively valued at $0.9 billion, reflecting the environmental benefits of new projects and the creation of sustainable communities.

In 2023–24, Housing Australia approved $876.8 million for social and affordable housing through the AHBA, with $484 million raised via three bond issuances (including taps to existing bonds), providing more than 2,400 homes for Australians in need over the past year. By securing concessional and longer tenor finance through the AHBA, these CHPs are estimated to save $140 million in interest savings over the period of their AHBA loans.

This report provides transparency to investors of Housing Australia's bonds and forms a key disclosure requirement under Housing Australia's Sustainability Bond Framework.

As the sustainability landscape continues to evolve globally and domestically, Housing Australia is maturing its sustainability approach. In the year ahead Housing Australia will develop its Sustainability Strategy to outline its focus and performance metrics to the market and stakeholders.

Carol Austin
Chair
Signed 25 October 2024

Scott Langford
Chief Executive Officer
Signed 25 October 2024

$876.8m
in loans to CHPs approved by Housing Australia Board

ISSUED A TOTAL OF
$0.9b
in sustainability bonds

ISSUED A TOTAL OF
$1.8b
in social bonds to finance social and affordable housing

Australian housing market

A combination of factors affects the demand for social and affordable housing. House prices have been rising in most jurisdictions, due to a range of factors related to strong migration, tight rental markets and smaller household size. In some capital cities the rental vacancy rate has declined to as low as 0.5 per cent and nationally, the rental vacancy rate is 1.6 per cent. In 2023 advertised rents increased by eight per cent and since the beginning of the decade rents have increased by around 35 per cent.[5]

The National Housing Supply and Affordability Council notes that a well-functioning housing system ensures housing is affordable for everyone, however in Australia affordability is at its lowest level on record, with both mortgages and rents rising sharply.[6] Housing affordability is likely to remain a challenge over the coming period due to high construction costs, ongoing capacity constraints, and very low rental availability, combined with high house prices.

Worsening affordability, in turn, adds to the demand for both social and affordable housing and puts additional pressure on non-market housing. Strong rental growth increases rental stress and forces tenants out of the private rental market. Over the coming years rents are expected to exceed rises in the broader cost of living due to shortfalls in new supply.[7]

The Australian Government has introduced a range of programs to assist the public and private sectors build more social and affordable housing, including through the HAFFF and NHAF.

5. *State of the Housing System report 2024*, National Housing Supply and Affordability Council, page 3.
6. *State of the Housing System report 2024*, National Housing Supply and Affordability Council, page 95.
7. *State of the Housing System report 2024*, National Housing Supply and Affordability Council, page 88.

How Housing Australia is driving sustainable finance

Social and affordable housing is critical infrastructure that plays a fundamental role in the social fabric, diversity and resilience of communities. There is an acute need to support low-income renters with housing that is secure, safe and sustainable in Australia.

Over recent years the level of housing stress in Australia has increased. Housing stress is defined as when a household is paying more than 30 per cent of its income in housing costs and has an income level in the bottom 40 per cent of Australia's income distribution.[8]

Community housing comprises both social and affordable housing. While this sector has grown over recent years, compared to other OECD countries, it is still emerging.

In Australia, the community housing sector started in the 1970s with government support in some states and territories. By the 1990s, all jurisdictions had registered community housing providers (CHPs).

Traditionally CHPs have accessed finance from commercial banks, with interest rates affecting loan repayments. The typical tenor of loans was three to five years, and in some cases up to 10 years.

Housing Australia offers finance to the community housing sector through a different structure. It facilitates investment and stability in the community housing sector by providing longer term loans and concessional interest rates.

Housing Australia acts as a loan aggregator. It offers primarily fixed-rate financing for a defined term to CHPs, mirroring the term of the bond issued to the market.

This enables CHPs to have a fixed rate over the term of the loan, typically for 10–15 years, which is not available under traditional financing structures.

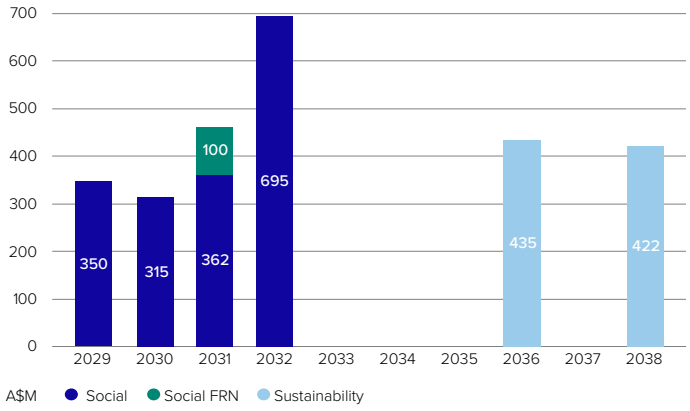
Housing Australia is generally able to offer a lower interest rate than commercial banks, due to the competitive rate it can achieve on government guaranteed bond issuance and acting consistently with its objective to improve housing outcomes while balancing risks. This mechanism allows money to be raised on a larger scale and on different terms to those that would be possible for individual CHPs to otherwise access. Savings are passed on to CHPs in the form of a lower interest rate, longer-term loans and reduced refinancing risks. These savings enable the community housing sector to invest in more housing and improve housing outcomes for their clients, and facilitates greater private and institutional investment in the sector.

Social and sustainability bond issuance in 2023–24

Since its inception, Housing Australia has issued more than $2.6 billion in social and sustainability bonds, consisting of $1.8 billion in social bonds and $0.9 billion in sustainability bonds (Figure 2). All seven Housing Australia bonds continue to support social and affordable housing outcomes, in addition to green outcomes achieved by Housing Australia's sustainability bonds.

In 2023–24, Housing Australia issued three bonds (including taps to existing bonds) with a total value of $484 million, including a $422 million sustainability bond maturing on 8 November 2038. This transaction is Housing Australia's second sustainability bond. Housing Australia also increased the March 2029 social bond by $35 million and the June 2036 sustainability bond by $27 million, further improving liquidity in our existing bonds (Figure 2).

Figure 2: Housing Australia bond maturity profile



Housing Australia has more than 70 institutional investors, a significant number of who have been consistent supporters of our bonds in the primary market.

Housing Australia continues to contribute to the growth of Australia's social bond market and establishing social and affordable housing as a recognised asset class. Housing Australia intends to continue participating in the Australian debt capital markets at least once per year and build larger, more liquid bond lines over time in response to feedback from investors.

8. Centre for Social Impact, February 2022, Social Housing in NSW Report 2; Future Impact, page 7, available at csi.edu.au/research/social-housing-in-nsw-south-wales/.

$484m

in bonds issued by Housing Australia in 2023–24

Factors affecting Housing Australia's bond issuance

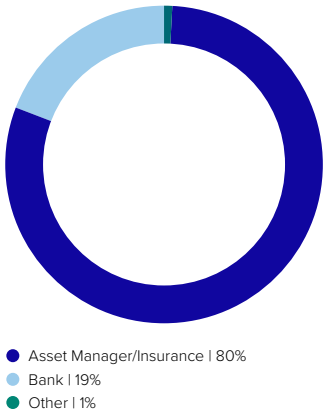
Financial market conditions were volatile in 2023–24. Movements in interest rates reflected global events including geo-political tensions and market expectations on monetary policy decisions in the United States and other developed economies. Economic growth in Australia was weaker as higher interest rates, inflation and cost of living pressures continued to impact household finances.

Despite the macroeconomic backdrop, the demand for Housing Australia social and sustainability bonds remains strong, as investors seek diversification, longer duration and exposure to sustainable assets.

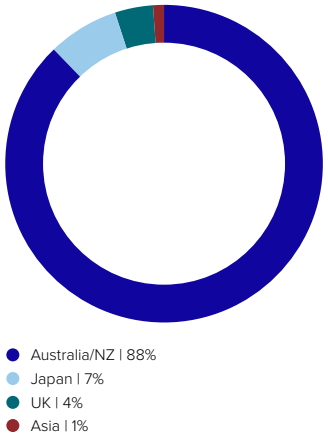
Long-term bond yields which determine Housing Australia's cost of funding and the interest rates we can offer to the CHP sector increased compared to the prior year, with the 10-year Australian Commonwealth Government Bond yield at 4.31 per cent as of 30 June 2024. The interest rate premium that Housing Australia is required to pay over the relevant government bond yield remained stable compared to the prior year.

Figure 3: Distribution statistics at issuance for November 2038 sustainability bond

Distribution: Investor type



Distribution: Geography

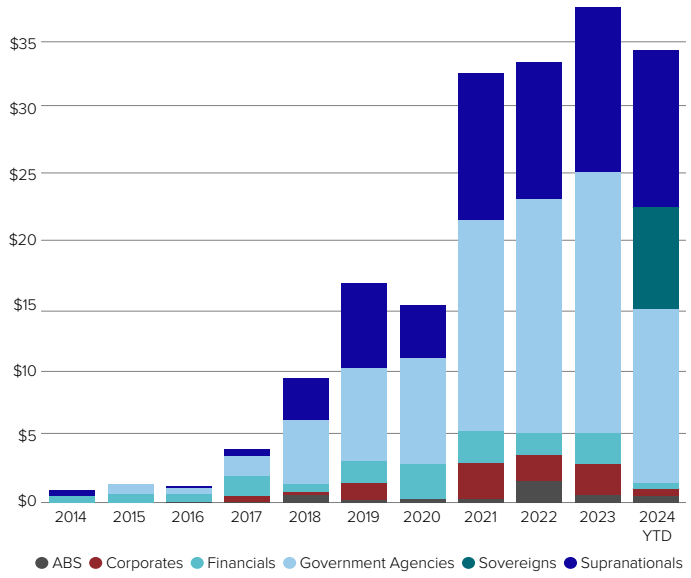


Green, social and sustainability (GSS) bond market

In the 10 years since the first green labelled bond issuance in Australian dollars (AUD), the market for green, social, and sustainability (GSS) bonds has experienced strong growth in terms of overall issuance volumes, diversity of issuers and the format of labelled bond issuances (Figure 4).

While development banks and government entities remain the most active GSS bond issuers, there has been an increase in GSS bond issuance from banks, non-bank financial institutions and corporates. The growth in market diversity is a positive indication that GSS bond issuance is gaining broader acceptance amongst issuers, investors and intermediaries in Australia.

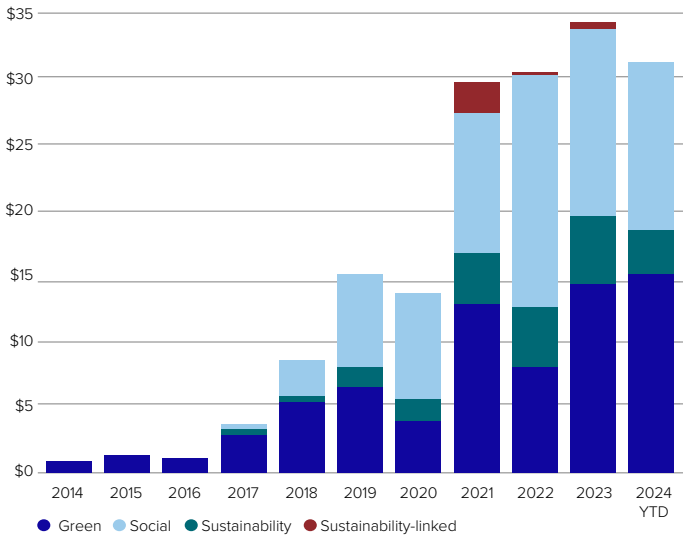
Figure 4: GSS and sustainability linked bond issuances by issuer type (AUD bn)



Source: BloombergNEF

In the early years, Australian GSS bonds followed the trajectory of overseas issuances, with a focus on green bonds. After COVID-19, the labelled bond market received a boost globally especially in social and sustainability bonds. Governments around the world had increased their GSS bond issuances to finance growing budget deficits which were allocated to inclusive and poverty alleviation projects. In 2019, the emergence of other labels started to gain traction in Australian debt capital markets which contributed to an overall increase in GSS bond issuance volume. This includes social, sustainability and sustainability-linked bonds which had further added to GSS bond supply in Australia (Figure 5).

Figure 5: GSS sustainability linked bond issuance by theme (AUD bn)



Source: BloombergNEF

Despite the significant increase in GSS bond supply in Australia over time, scarcity of supply has remained a consistent theme. A challenge for many issuers has been the identification of projects that meet the eligibility criteria under the relevant green, social or sustainability bond framework of the issuer. This has affected the ability of issuers to bring a regular supply of GSS bond issuances to the market.

Sustainability and ESG

Globally and nationally environmental, social and governance (ESG) standards, disclosure requirements and taxonomies continue to evolve. In Australia, new mandatory climate reporting disclosure, based on the International Sustainability Standards Board has been introduced.

Consultation on a Sustainable Finance Taxonomy is also currently underway in Australia. Housing Australia recognises the need for transparency and comparability to manage risks around greenwashing and social washing.

Housing Australia's Sustainability Bond Framework refers to existing state and nationally recognised standards with respect to environmental performance for sustainability bonds and defines social and affordable housing for its social bonds.

Improve housing outcomes by helping more Australians into affordable, safe and secure housing towards a resilient future

Over
$2.6b
issuance towards social and sustainability bonds

67%
of leadership positions at Housing Australia are held by women

Sustainability at Housing Australia

Reflective of the broad stakeholders Housing Australia works with, our ESG approach is informed by meeting relevant global standards around sustainability bond issuance, in addition to mandatory reporting requirements as a corporate Commonwealth entity including modern slavery, gender and environment (Table 1).

Table 1: Housing Australia's ESG highlights

Environment	Social	Governance
Scope 1, 2 and some scope 3 climate reporting – see Housing Australia 2023–24 Annual Report	Over $2.6bn bond issuance towards social and affordable housing	Sustainability Management Committee reporting to Housing Australia Board
	Reconciliation Action Plan 2022–23 (Reflect)	Participation on the Community Housing Industry Association's (CHIA) ESG Steering Group
	67% of leadership positions at Housing Australia are held by women	Every year (commencing financial year 2021–22) Housing Australia produces a Modern Slavery Statement

As an issuer of social and sustainability bonds, Housing Australia is developing a Sustainability Strategy to articulate its sustainability vision, approach and the social and environmental benefits it intends to deliver through its activities and supporting metrics. This is also intended to align with ICMA's guidelines released in June 2024.

The vision and four strategic sustainability pillars below in Figure 6 have been identified as areas of focus for the organisation, reflecting Housing Australia's Investment Mandate and purpose.

Figure 6: Housing Australia's sustainability pillars

Housing Australia's sustainability vision builds on its strong purpose as an organisation. The organisation will engage with stakeholders as it develops its Sustainability Strategy and metrics.

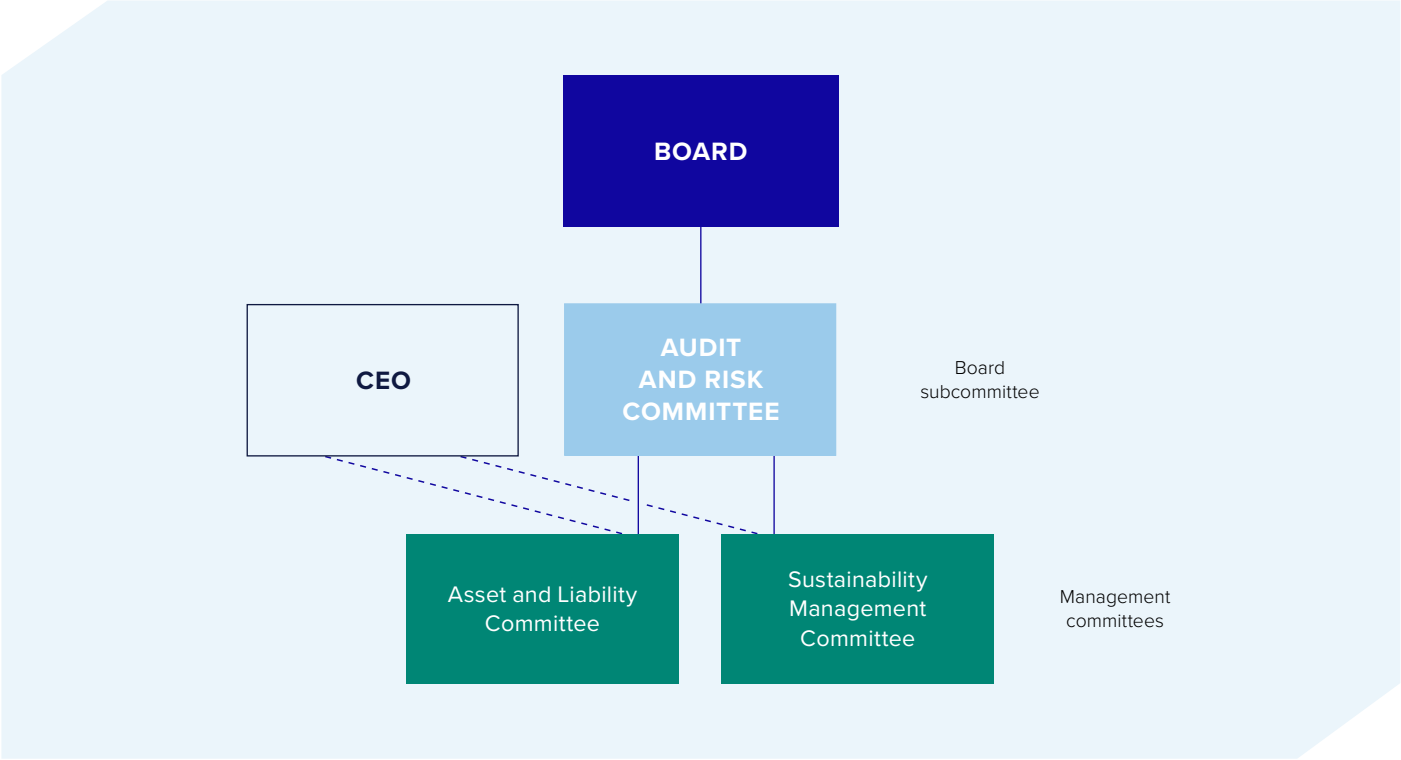
Housing Australia is committed to maintaining high standards of corporate governance which it considers essential to being a long-term sustainable organisation and to continually act in the best interests of the Australian public.

To support governance, visibility and implementation of ESG and sustainability, Housing Australia has a Sustainability Management Committee with representation from senior leadership across the organisation. The Sustainability Management Committee reports to the Audit and Risk Committee (ARC) (Figure 7).

In 2024–25, Housing Australia will conduct a climate scenario analysis with the Board and senior leadership to inform its climate transition planning.

Housing Australia also intends to play a lead role in working across the community housing sector to define common social impact metrics.

Figure 7: Housing Australia sustainability governance



In 2023–24, Housing Australia supported the industry-led development of an ESG reporting standard for the community housing sector. Housing Australia participated on the ESG Steering Group and contributed financially towards the development of the ESG reporting standard. Through 2023–24 Housing Australia also supported CHIA's launch of its first-year implementation report.

While the ESG reporting standard is voluntary, in its first year of implementation 14 CHPs adopted reporting against the standard, demonstrating the sector's appetite for innovation, building resilience and meeting investor expectations. The ESG reporting standard covers 41 metrics.

Housing Australia will continue to work with CHPs and CHIA to help build capacity and rigour around ESG reporting in the sector. To help encourage and embed the use of the ESG reporting standard, Housing Australia has adopted eight of the 41 metrics as standard reporting requirements for availability payments under the HAFFF and NHAF programs. The intent is to embed these eight ESG metrics as a baseline for the sector.

Housing Australia recognises the breadth in diversity of CHPs and the need for comparable data across the sector to transparently disclose performance.

Social and sustainability bonds

Ninety-seven per cent of sustainability bond issuance globally is aligned with ICMA. ICMA provides guidance on the governance and implementation of social and sustainability bonds through the application of the four pillars relating to: use of proceeds, management of proceeds, evaluation and reporting.

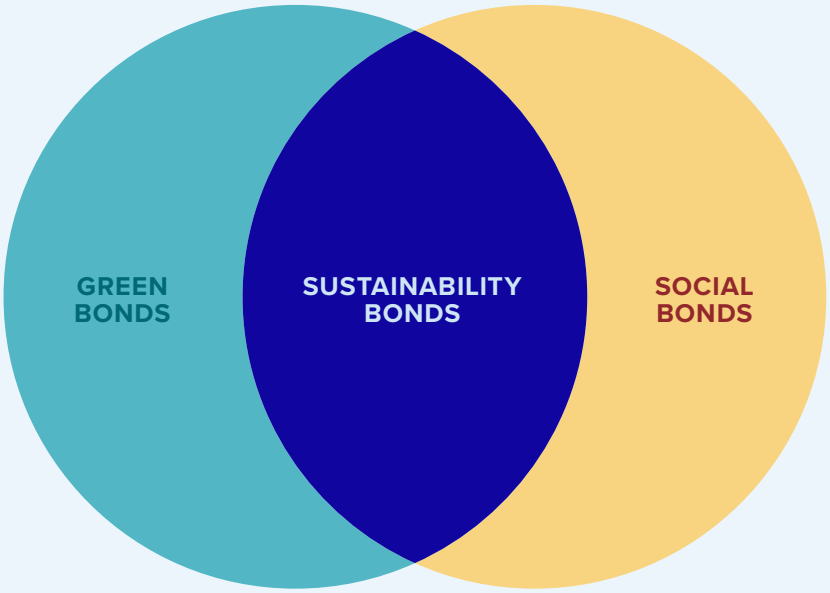
The market around green-labelled bond issuances has benefited from the availability of green taxonomies and frameworks which have been established internationally, including the Climate Bonds Initiative and ICMA Green Bond Principles (GBPs), providing a common language, metrics and confidence in the market. Green bonds first emerged in 2007 supporting projects with environmental and climate benefits. In comparison the social bond market is growing.

Labelled bonds include green, social and sustainability bonds. According to ICMA, social bonds are financial instruments whose proceeds are exclusively applied to finance projects that deliver social outcomes aligned to the four core components of the Social Bond Principles (SBPs).

This can include projects ensuring access to essential services, affordable housing or employment generation. Social bonds are functionally a debt instrument like any other bond with fixed returns and a promise to use the proceeds for the identified social purpose. Housing Australia social bonds have an Australian Government guarantee.

Sustainability bonds are any type of bond instrument where the proceeds or an equivalent amount will be exclusively applied to finance or refinance a combination of both green and social projects (Figure 8). Housing Australia issues sustainability bonds where it is financing a combination of eligible social projects and new buildings assessed against energy efficiency schemes, such as NatHERS and Greenstar.

Figure 8: Green, social and sustainability bonds



International Capital Market Association guidance

ICMA definition[9]

Social bonds are any type of bond instrument where the proceeds – or an amount equal to the net proceeds – will be exclusively applied to finance projects that directly aim to address or mitigate a specific social issue and/or seek to achieve positive social outcomes, especially, but not exclusively for a target population(s) and are aligned with the Core Components of the SBPs.

Social project categories include (but are not limited to): providing and/or promoting affordable basic infrastructure, access to essential services, affordable housing, employment generation, food security, and socioeconomic advancement and empowerment.

9. ICMA Social Bond Principles, June 2023 available at https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/.

Housing Australia's Sustainability Bond Framework

Housing Australia's Sustainability Bond Framework aligns with the core components of ICMAs:

- Social Bond Principles (SBP)
- Green Bond Principles
- Sustainability Bond Guidelines (SBGs)

Housing Australia matches bond funding to proceeds. Each bond issuance is pre-assured by an independent third party and Housing Australia publishes a Social Bond Report annually that covers the use and management of proceeds (Figure 10). As at 30 June 2024, all bond proceeds have been allocated and fully distributed to CHPs that meet Housing Australia's Sustainability Bond Framework eligibility criteria (refer Appendix A).

Evaluation

All Housing Australia social and sustainability bonds are independently assured by Ernst & Young (EY) as aligning with international SBPs and SBGs as outlined by ICMA.

EY's annual independent assurance report in this regard is available in Appendix C.

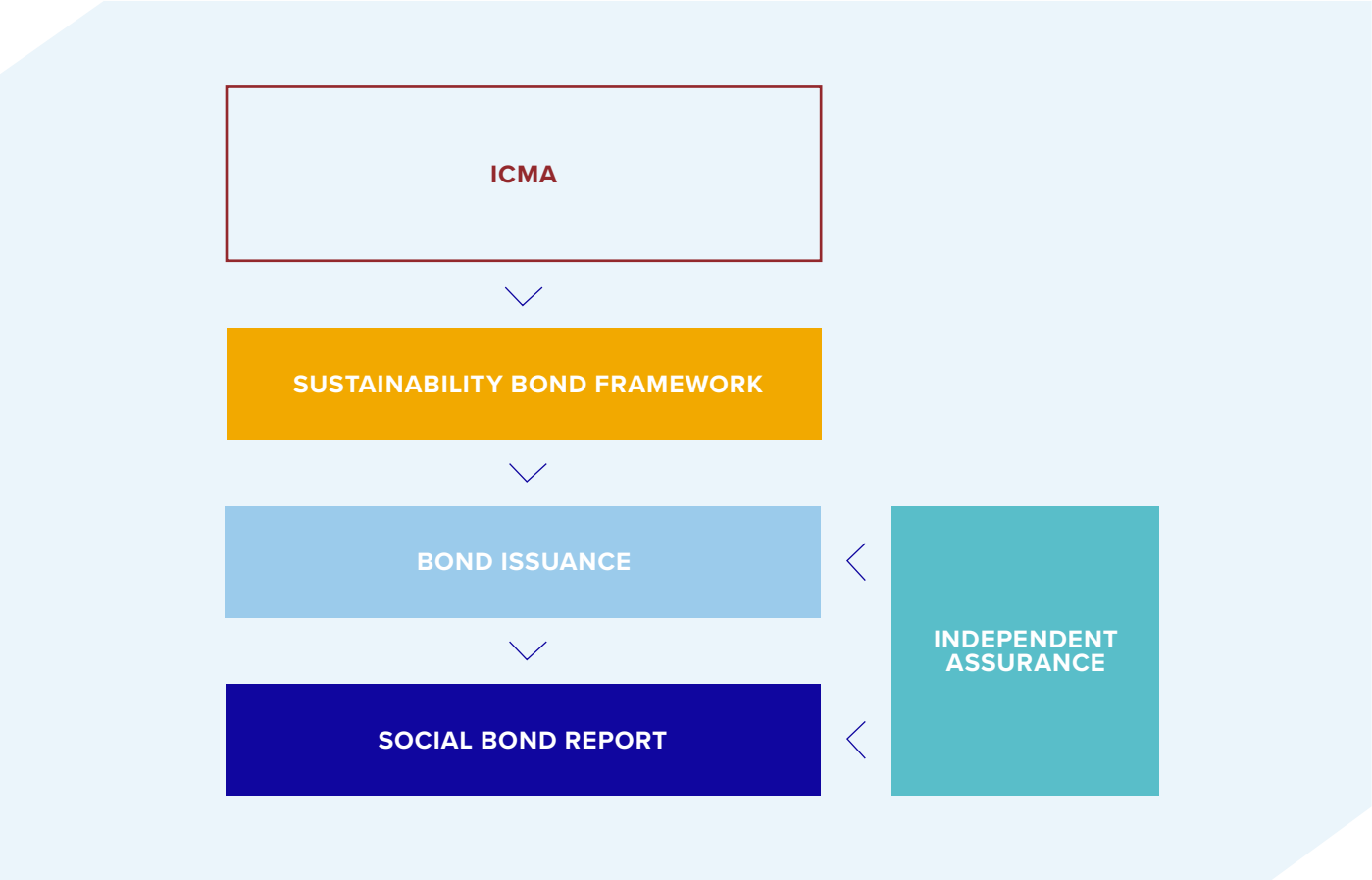
EY's procedures assess Housing Australia's Sustainability Bond Framework against accepted market principles (e.g. ICMA's SBP and SBGs) and market practices and expectations from the investment community. The scope of the EY assurance involves an annual review of existing bonds against the framework.

Figure 9: Housing Australia's Sustainability Bond Framework and alignment with UN Sustainable Development Goals

		UN Sustainable Development Goals	Housing Australia SBP project categories
SOCIAL BOND	1 NO POVERTY 11 SUSTAINABLE CITIES AND COMMUNITIES	**No poverty** Target 1.4: Ensure access to basic services ownership and control over land and other forms of property **Sustainable cities and communities** Target 11.1: Make cities and human settlements inclusive, safe, resilient and sustainable	Affordable housing
SUSTAINABILITY BOND	1 NO POVERTY 6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**No poverty** Target 1.4: Ensure access to basic services ownership and control over land and other forms of property **Clean water and sanitation** Targets 6.3, 6.4 and 6b: Improve water quality by substantially increasing recycling and safe reuse; increase water-use efficiency; and improve water and sanitation management **Affordable and clean energy** Targets 7.3 and 7a: Promote investment in energy infrastructure and clean energy technology; improve energy efficiency **Industry, innovation and infrastructure** Target 9.4: Upgrade infrastructure to make it sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies **Sustainable cities and communities** Target 11.1: Make cities and human settlements inclusive, safe, resilient and sustainable Target 11.2: Provide access to safe, affordable, accessible and sustainable transport systems for all Target 11.3: Enhance inclusive and sustainable urbanisation and capacity for sustainable human settlement planning and management Target 11.6: Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and other waste management **Responsible consumption and production** Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse	Affordable housing Green buildings Energy efficiency Pollution prevention and control Clean transportation Sustainable water and wastewater management

50

Figure 10: Housing Australia bond issuance and ICMA



Outcomes of social and sustainability bonds

Housing Australia's purpose is to improve housing outcomes by helping more Australians to access affordable, safe and secure housing. Social housing is highly subsidised and targeted housing, delivered by government (public housing) or by CHPs.[10] Increasingly, social housing supports people in need, such as women and children fleeing domestic violence, older women facing homelessness, Veterans, people living with a disability and First Nations people.

CHPs are non-government organisations that deliver social or affordable housing and related services to people on very low, and low to moderate incomes. They manage the properties that they own and/or other properties that are owned by the government or rented from private landlords with government funding. They also manage properties for various entities on a fee for service basis.

CHIA reports that CHPs collectively manage over $20 billion in assets including ownership of over 40,000 homes.[11] Housing Australia has provided funding to assist the construction or refinancing of 18,800 social and affordable homes as at 30 June 2024.

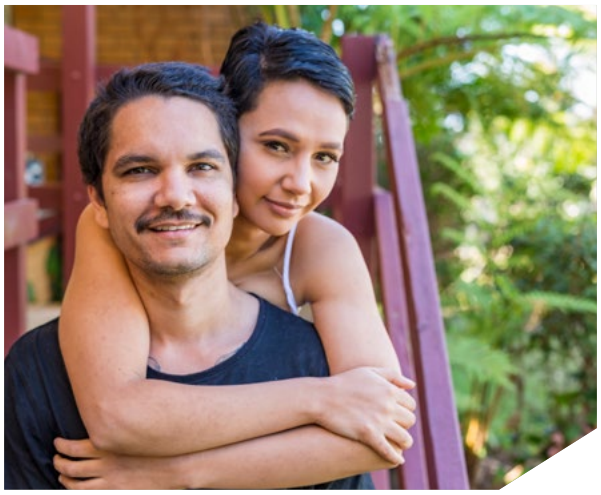
In Australia, social housing is typically provided at a rent calculated as a proportion of household income of 25–30 per cent or otherwise in accordance with the relevant state and territory policies for CHP-managed social housing. It is subsidised housing for those unable to participate in the private rental market. In 2023–24, most social housing was public housing; owned and managed by government (67 per cent).[12] The vast majority of public and community housing tenants were low-income households.[13] Many social housing tenants receive income support from government.

Affordable housing typically supports low to moderate income earners, with rent provided at a discount to market rent (Figure 11).

10. AHURI, Developing Social and Affordable Housing: A project level approach.
11. Community Housing Industry Association (CHIA), 2023, Australia's Community Housing Industry Profile, 2021, available at communityhousing.com.au
12. Melbourne Institute, customized data request, Household Income and Labour Dynamics in Australia Survey, 2021 release.
13. Australian Institute of Health and Welfare (AIHW), Housing Assistance in Australia 2024, Households and waiting lists, available at aihw.gov.au

Figure 11: The housing continuum

Social housing is government-subsidised housing for people on low incomes. It includes public housing (housing provided and managed by a state/territory government), state-owned and managed First Nations housing, community housing and First Nations community housing. Rents are usually set as a proportion of household income.



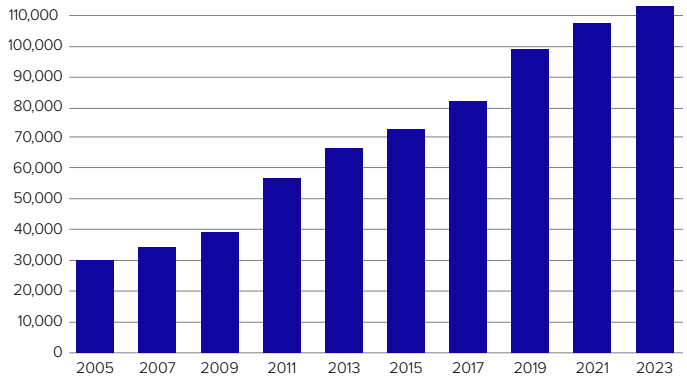
Affordable housing refers to housing provided to low to moderate income earners, whose incomes are insufficient to enter the private market. Affordable housing rents are typically set at a discount to market rent (at least 25 per cent), or as a proportion of gross household income (~25 to 30 per cent). However, there can be different eligibility requirements, such as being a key worker. Affordable housing is usually managed by 'not-for-profit' CHPs.

114,150

The number of homes categorised as community housing

According to the Australian Institute of Health and Welfare (AIHW), the number of homes categorised as community housing, including social and affordable housing was 114,150 in 2023 (Figure 12). CHIA estimates nearly 40,000 homes are owned (rather than managed) by CHPs.[14]

Figure 12: Community housing in Australia



Notes: Relates to social housing managed by CHPs.
Data source: AIHW, Housing Assistance in Australia, Social Housing Dwellings, 2024.

Intended impact

ICMA recommends that issuers should report outputs, outcomes and/or impacts of projects financed by social bond proceeds (either on a project level or on a portfolio level throughout the life of the social bond).[15] ICMA's Social Bond Working Group has acknowledged that while the purpose of social bonds is to finance projects with a positive impact, this can be measured through either output, outcome and impact indicators, which can be used to track (positive) results as well as potential negative impacts or missed targets.

Housing Australia recognises the importance of providing investors with visibility on the social benefits linked to our social bonds and in 2024–25 will work with the community housing sector to build shared understanding and consensus around the benefits, at a macro and individual level, that can be attributed to social and affordable housing. The community housing sector plays a vital role in providing safe and affordable homes and while this leads to better social, health and wellbeing outcomes, measurement and attribution is both complex and challenging across socio-economic dimensions. One person's journey can be very different from another's due to factors including age, social support and networks, and mental health.

For this reason, the community housing sector is understandably cautious about over-stating its contribution to other areas of impact. Housing Australia will work collectively to help shape a minimum number of common, agreed and measurable social impact metrics.

It should be noted the outcomes and impacts of social and sustainability bonds occur across multiple levels, at the national, regional and individual.

Housing Australia worked with Swinbourne University of Technology and CHIA to support the development of a calculator that estimates the reduction in public expenditure from areas such as health, policing, and community services by making homes available to those who need them. The calculator also estimates environmental benefits from provision of green spaces.[16] The SIGMAH (Social Infrastructure and Green Measures for Affordable Housing) calculator will assist Housing Australia measure social and environmental benefits of Government programs, including the HAFFF and NHAF. Housing Australia is also continuing to explore a variety of analytical techniques to measure impact and outcomes of Housing Australia's activities.

14. CHIA-Profile-2023-Final-1.pdf (communityhousing.com.au).
15. ICMA's Harmonised Framework for Impact Reporting, 2023 available at icmagroup.org/sustainable-finance/impact-reporting/social-projects.
16. CHIA website SIGMAH: new tool launch – Community Housing Industry Association, accessed on 15/08/24.

How Housing Australia is building capacity in the community housing sector

CHPs face similar challenges to property developers in Australia, including high construction costs and lengthy planning approvals. To ensure project viability, CHPs typically rely on additional state and/or Commonwealth government funding. Funding applications take time, skill and resources, and unsuccessful bids may result in lost productivity.

In addition, lengthy development planning approvals can result in projects becoming unsustainable due to increasing costs while necessary planning approvals are sought.

Sector collaboration

The early years of Housing Australia bond issuances assisted the community housing sector with working capital and refinancing of lower-cost and longer-term loans. Looking forward, Housing Australia is financing new, quality, and well-located social and affordable housing as part of the Australian Government's HAFFF and NHAF programs. This is expected to build a pipeline of eligible projects under our Sustainability Bond Framework and translate into Housing Australia becoming a regular issuer of social and sustainability bonds.

Many factors will impact when an eligible project will be ready for financing. Housing Australia offers financing for construction, warehousing and take-out to projects at varying stages of completion, including turnkey and projects where construction has commenced or soon to commence. Housing Australia expects near-term financing will primarily support turnkey properties which have reached operational stage.

Attracting sustainable finance into the community housing sector is a broader challenge that involves increased investor understanding of community housing, and standardised impact measurement on the social benefits delivered through social and affordable housing.

Research published by Housing All Australians, a private-sector association concerned with housing inequity in Australia, found that the national average benefit-cost ratio for Australia in providing adequate social and affordable housing infrastructure is 2:1. That is, for every $1 invested in the delivery of public, social and affordable housing, the Australian community saves $2 in future costs.[17]

17. Housing All Australians, Give Me Shelter report available at https://housingallaustralians.org.au/what-we-do/give-me-shelter/.

Borrowers and beneficiaries

Information in this section profiles three CHPs supported by approved AHBA loans, funded by Housing Australia social and sustainability bonds, and where significant project milestones were achieved in 2023–24. Evolve Housing was funded in 2023–24, Housing Choices Tasmania and Building Communities (Vic) Limited were funded earlier.

We have included tenant profiles to highlight the stories of Australians whose lives are improved by the work of our community housing partners. While these stories are real, the names have been changed to protect individuals' identities.

Evolve Housing

Evolve Housing was provided with construction financing to support the delivery of a mixed tenure development project in Western Sydney, NSW. A $32 million AHBA loan was then provided through a bond issuance after construction was completed which supported the delivery of 93 affordable homes.

The mixed tenure housing development is part of the NSW Government's Future Directions Initiatives to increase social housing supply. The development, spread across four buildings, includes 376 new homes, of which 63 are social, 93 are affordable (including seven accessible), and 220 are private market rental. The project also includes a 60-place childcare centre in the affordable housing building.

'Didn't think it could happen to me'

When asked about finding a home with Evolve Housing, the first thing Andy* will tell you is that he's "grateful and happy to be here". After becoming homeless with only the clothes he was wearing and his dirt bike, Andy is grateful for the journey that brought him to Evolve Housing.

Andy was sleeping in friends' cars just to keep warm at night when found by his police officer friend and taken to Link2Home, a service providing homelessness support and accommodation services in NSW.

Andy knew this wasn't the life he wanted to lead and wanted to make his three children proud. He was placed in temporary accommodation for three months where he created a rental history to improve his chances of finding a home to rent. He was then connected to a case worker from Evolve Housing's Together Home program, which provides housing and support services to people who are sleeping rough or who are, or have recently been, living in temporary accommodation.

'I met my case worker within a month of staying at the temporary accommodation and he told me they had a place for me. When I moved, he helped me by taking me to the dentist, showing me where to get food and sorting out my driver's license,' said Andy.

In July 2023, Andy moved to a new social housing complex managed by Evolve Housing on behalf of Homes NSW.

'With Evolve Housing's support, I have a lounge, I have nice clothes... my children are back in my life. I am happy to be here, and I wouldn't have it any other way,' said Andy.

'Our partnership with Housing Australia has provided us with stable, long-term financing with relatively lower interest rates that allows our business to grow the supply of social and affordable housing across Australia.

The lower interest rates and longer tenor of the loan has aided in the financial sustainability of our investment. It has allowed us to be better placed to fulfil our purpose of enabling more people in need to live in quality homes in thriving and inclusive communities, while delivering more social and affordable housing, support programs and overall services to our residents.'

Lyall Gorman,
Evolve Housing CEO

* Names withheld to protect privacy of tenants.

Evolve Housing development, Western Sydney NSW.

'My children are back in my life. I am happy to be here, and I wouldn't have it any other way.'

Andy
Tenant of Evolve Housing
Western Sydney, NSW

Evolve Housing

About

Evolve Housing Group (EHG) is a registered CHP, based in Western Sydney that provides social and affordable housing to eligible people on low to moderate incomes. The EGH property portfolio currently consists of over 5,000 social and affordable housing properties that provide homes for more than 11,000 residents living in metropolitan Sydney, the Hunter region, the mid-north and central coasts of NSW, the ACT and Victoria.

EHG manages key worker housing in Victoria and has a presence in Tasmania through Centacare Evolve Housing.

Loan value & tenor

$32 million
(5.5 year fixed-rate loan)

Loan purpose

Support the delivery of 93 affordable units in NSW

State

New South Wales

Geographic concentration

Western Sydney

Target cohorts

First Nations people, women leaving family violence, Other, including housing for older people, Children and youth, Key workers[18]

Tenant mix

Affordable housing

18. A number of key workers are also over 55 years and/or families escaping domestic violence.

Housing Choices Tasmania

Housing Choices Tasmania, northern Tasmania development.

‘Stability is everything’

Rental stability and affordability had become challenging for Tasmanian couple, Carolyn* and Bill.*

The couple were asked to move from a long-term rental, allowing the owners to move back in and then sell the home.

Their next rental lasted a couple of years before the rent was increased. Becoming less resilient with age, Carolyn and Bill applied for social housing and were priority applicants on the Tasmanian Housing Register.

Housing Choices Tasmania offered them a home after they had just been notified of their rental increase.

‘This was a great relief as it was going to be a struggle,’ said Bill.

After three years on the Housing Register, they moved into their new home in October 2023.

Their new home allows them to stay connected with family, with their children living nearby.

‘We love it here; it’s been an easy change. We feel very safe here. Stability is everything. You just never know what could happen in a private rental. I used to worry all the time… if something happened to one of us, I wouldn’t have been able to afford the rent,’ said Carolyn.

‘The partnership with Housing Australia has provided us with stable, long-term financing that allows us to substantially expand housing supply to Tasmanians locked out of home ownership and private rental. We are pleased to be building on our strong relationships with the Tasmanian Government and Housing Australia to help meet the ever-increasing demand.

The provision of long-term, secure and affordable housing is essential to maximising opportunities to participate in all aspects of life including training, education, work, volunteering and social engagement.’

Kim Bomford, General Manager
Housing Choices Tasmania

* Names withheld to protect privacy of tenants.

HOUSING CHOICES TASMANIA

‘Stability is everything, I used to worry all the time.’

Carolyn
Tenant of Housing Choices Tasmania

Housing Choices Tasmania

About

Housing Choices Tasmania, part of Housing Choices Australia Group (Housing Choices) is an independent, not-for-profit housing provider that delivers high-quality, accessible, and affordable housing for people on lower incomes and/or people living with a disability.

Loan value & tenor

$17 million (12-year fixed-rate interest-only loan)

Loan purpose

The loan allowed for refinancing of existing debt to support the development of 116 homes across 14 sites

State

Tasmania

Geographic concentration

North Tasmania

Target cohorts

Women leaving family violence, Other, including housing for older people, People living with a disability

Tenant mix

Social housing

HOUSING CHOICES TASMANIA

Housing Choices Tasmania, northern Tasmania development.

‘We’re just so lucky with what we have here.’

Penny
Tenant of Housing Choices Tasmania

Housing Choices Tasmania

‘Support to stay together’

Penny* and David* required more suitable housing after living in private rentals for 11 years, following health issues for David.

‘The home we had was beautiful, but it wasn’t David-friendly. I had to lift him in the old shower, and it wasn’t safe. The worse David became, the worse everything became,’ said Penny.

The couple faced the possibility of David moving to an aged care facility if suitable accommodation couldn’t be found.

‘We spent two years on the waitlist with Housing Connect before Housing Choices picked us up. I couldn’t believe it when they showed us through. We’re just so lucky to have what we have here,’ said Penny.

The couple’s new home is part of a development, comprising a mix of 15 two and three-bedroom units. The units are built to Livable Housing Australia Silver Standard, which means it’s accessible for David. It also means it will be flexible and adaptable as their needs change, allowing for aging in place.

An onsite community centre provides residents with opportunities to create new social connections, access to support services and communal activities. The development is close to local amenities such as shops, schools and public transport, allowing residents to remain connected to their community.

David can access his medical appointments from their central base, and they’ve both been kept busy with visits from grandchildren as well as newfound hobbies.

‘I’ve never had a flower garden before, and now I have three!’ said Penny.

* Names withheld to protect privacy of tenants.

Building Communities (Vic) Limited (BCVL)

Building Communities (Vic) Limited, metropolitan Melbourne development.

‘Moving back home felt better than ever’

Anna* and her family were among the first returning tenants in one of the newly built homes delivered under Homes Victoria’s Ground Lease Model 1 (GLM1) project. These homes have been delivered by the not-for-profit housing consortium Building Communities, including Community Housing Limited (CHL), Tetris Capital and ICON.

Having lived in the area for the past nine years, Anna said moving back home felt better than ever.

‘It’s truly amazing – everything is brand new, and I love it. Everything is so close – from shopping to transport. There are beautiful views everywhere I look,’ said Anna.

Anna was one of several tenants who moved out to allow for the construction of new social and affordable rental homes by Building Communities, and Homes Victoria.

Upon seeing the redevelopment, Anna was more than impressed and spoke about the strong sense of community.

‘Here, we all live like a family. We don’t see the differences. I am happy to be back. This is my home; there is nothing like it,’ she said.

Anna contributes to the community by working with Community Housing Limited’s (CHL) community development team. She will be running a jewellery-making program for children onsite, fostering creativity and engagement among the youth.

Additionally, Anna has secured a job as a caregiver, a role that perfectly suits her nurturing personality.

‘Being able to give back and support my community is incredibly fulfilling, I love working with the kids and seeing their faces light up with excitement. As a caregiver, I get to make a difference in people’s lives every day. It’s a wonderful feeling,’ said Anna.

Anna’s return is more than just a homecoming, she’s passionate about building a vibrant, inclusive community.

‘Affordable and flexible long-term funding options provided by Housing Australia have been essential in building sustainable affordable housing projects. Housing Australia’s ongoing commitment to funding new social and affordable housing is commendable, as it enables community housing providers such as CHL, to provide much needed homes and community services for hundreds of Victorians at an accelerated rate.’

Danny Dracic,
Director, Building Communities (Vic) Limited and CEO, Community Housing Ltd

* Names withheld to protect privacy of tenants.

Building Communities (VIC) Limited

‘I am happy to be back. This is my home; there is nothing like it.’

Anna
Tenant of Community Housing (Vic) Limited (CHL)

Tenants are progressively moving into 1,084 newly-built homes across three sites in metropolitan Melbourne through a partnership between Housing Australia, Homes Victoria and the Building Communities consortium.

The construction of these homes was supported by Housing Australia funding for Homes Victoria’s Ground Lease Model 1 (GLM1) project.

Through GLM1, Homes Victoria leased Crown land to the Building Communities consortium, under an availability model to design, build, finance, manage and maintain the housing for 40 years.

Housing Australia provided $394.1 million in funding to support GLM1, comprising a $344.3 million AHBA loan and $49.8 million via the NHIF.

Housing Australia separately agreed to provide a further loan of $40.7 million to the consortium. This comprised a $23.55 million AHBA loan, $13.7 million NHIF loan and $3.4 million NHIF grant to support GLM1 Part 2. The additional funding will support the delivery of 285 homes, due for completion in late-2026.

Building Communities (Vic) Limited

About

Building Communities (Vic) Limited is part of the Building Communities consortium, which is led by Community Housing (Vic) Limited and Tetris Capital.

The Consortium, a not-for-profit project group, has partnered with Homes Victoria to deliver integrated housing developments offering social, affordable and market rental options, including specialist disability accommodation.

Its CHP, Community Housing (Vic) Limited, delivers tenant support services and community engagement activities onsite.

CHL is the largest Australian not-for-profit company delivering affordable housing to those on low and moderate incomes.

Loan value & tenor

$344.3 million (15-year fixed-rate interest-only loan)

Loan purpose

The loan funded the delivery of 1,084 new homes in metropolitan Melbourne, Victoria

State

Victoria

Geographic concentration

Melbourne, Victoria

Target cohorts

Single parents and First Nations people

Tenant mix

Social, affordable, market and specialist disability housing

Building Communities (Vic) Limited (BCVL)

Building Communities (Vic) Limited, metropolitan Melbourne development.

Resilience and adventure

Dorothea* returned to Melbourne after her husband passed away, having lived 41 years in Sydney.

'Life took a different turn after he passed away. I was fortunate to have some savings to live on until I became eligible for the aged pension,' said Dorothea.

After two years on housing waitlists, Dorothea moved into one of the brand-new social and private rental apartments in Melbourne, delivered by the not-for-profit housing consortium Building Communities, including Community Housing Ltd (CHL), Tetris Capital and ICON, under Homes Victoria's Ground Lease Model 1 (GLM1) project.

Conveniently located close to shopping precincts, schools and public transport, the development offers a range of communal spaces including outdoor areas, recreational spaces, and a rooftop garden.

'The location of this development is great with lovely cafes and shops. It's a short distance to visit the post office and my pharmacist,' said Dorothea.

Dorothea has time for crafts and activities she finds joy in now that she has found a home that brings her peace of mind.

'I spend my time crocheting while listening to audiobooks,' said Dorothea. She was delighted to discover the Crochet Guild of Australia, which recently held an annual conference in Melbourne where she was invited to speak.

Dorothea's journey is one of resilience and adventure and a reminder that home is not just a place, it's also a sense of belonging.

'The location of this development is great with lovely cafes and shops.'

Dorothea
Tenant of Community Housing (Vic) Limited (CHL)

* Names withheld to protect privacy of tenants.

Building Communities (Vic) Limited, metropolitan Melbourne development.

Connected and contributing

Sarah* had been waiting on the Victorian Housing Register for a home, after experiencing the uncertainty of private rentals. She was asked to leave her previous rental when the owner's son needed the space and decided to move back in.

Sarah is thrilled to be settled in her new home. 'Moving here has been amazing. Everything went smoothly, and everyone has been so supportive,' she said. 'The apartment is perfect, it is bright with lots of space, and it stays cool in summer and warm in winter.'

Sarah recently moved into one of the newly-built apartments in Melbourne, delivered by the not-for-profit housing consortium Building Communities, including Community Housing Ltd (CHL), Tetris Capital and ICON, under Homes Victoria's Ground Lease Model 1 (GLM1) project.

Living in a diverse community brings Sarah joy. Inspired by her neighbours from different backgrounds, she likes to organise international dinner nights where residents share stories over a meal.

As an artist, Sarah is involved in the community and is working to organise art classes, book clubs, movie nights, and fun activities for children during school holidays.

'I love living here. I've made great friends. I especially love my balcony—it's in a corner and feels so peaceful. Watching ducks and birds outside is delightful, and the windows keep it quiet inside. It truly feels like home,' said Sarah.

Sarah's story highlights how crucial secure and affordable housing is along with a supportive community. Her new home has given her a deep sense of belonging and peace, fulfilling the goals of this project.

'Moving here has been amazing. Everything went smoothly, and everyone has been so supportive.'

Sarah
Tenant of Community Housing (Vic) Limited (CHL)

Building Communities (VIC) Limited

Appendices

Appendix A: Summary of Housing Australia bond issuance to 30 June 2024

	Principal amount	Issue date/ settlement date	Tenor	Maturity date	Issue price	Interest/ coupon rate	Yield to maturity	Spread to ACGB benchmark[19]	Credit rating	Coupon payable	Bond classification	ISIN
Bond 1	A$315m	28 Mar 2019	10 years	28 Mar 2029	100% of the principal amount	2.380%	2.38%	+48.3bp	AAA	Semi-annually on 31 Mar and 30 Sep	Social bond	AU3CB0262038
Bond 1 (Tranche 2)	A$35m	6 Dec 2023	5.3 years remaining	28 Mar 2029	90.216% of the principal amount	2.380%	4.47%	+29.0bp	AAA	Semi-annually on 31 Mar and 30 Sep	Social bond	AU3CB0262038
Bond 2	A$315m	27 Nov 2019	10.5 years	27 May 2030	100% of the principal amount	1.520%	1.52%	+37.8bp	AAA	Semi-annually on 27 May and 27 Nov	Social bond	AU3CB0268746
Bond 3	A$562m	29 Jun 2020	12 years	29 Jun 2032	100% of the principal amount	1.410%	1.41%	+38.0bp	AAA	Semi-annually on 29 Jun and 29 Dec	Social bond	AU3CB0272904
Bond 3 (Tranche 2)	A$133m	28 Mar 2022	10.25 years remaining	29 Jun 2032	84.93% of the principal amount	1.410%	3.14%	+34.6bp	AAA	Semi-annually on 29 Jun and 29 Dec	Social bond	AU3CB0272904
Bond 4	A$343m	2 Jun 2021	15 years	30 Jun 2036	100% of the principal amount	2.335%	2.33%	+21.7bp	AAA	Semi-annually on 30 Jun and 30 Dec	Sustainability bond	AU3CB0280659
Bond 4 (Tranche 2)	A$65m	30 Jun 2022	14 years remaining	30 Jun 2036	75.724% of the principal amount	2.335%	4.72%	+58.2bp	AAA	Semi-annually on 30 Jun and 30 Dec	Sustainability bond	AU3CB0280659
Bond 4 (Tranche 3)	A$27m	17 Aug 2023	13 years remaining	30 Jun 2036	76.739% of the principal amount	2.335%	4.77%	+43.5bp	AAA	Semi-annually on 30 Jun and 30 Dec	Sustainability bond	AU3CB0280659
Bond 5	A$362m	15 Jun 2021	10 years	1 Jul 2031	100% of the principal amount	1.740%	1.74%	+21.5bp	AAA	Semi-annually on 1 Jul and 1 Jan	Social bond	AU3CB0280923
Bond 6	A$100m	15 Jun 2021	10 years	1 Jul 2031	100% of the principal amount	3mBBSW +18bps	3mBBSW +18bps	N/A	AAA	Quarterly on 1 Jul, 1 Oct, 1 Jan and 1 Apr	Social floating-rate note	AU3FN0061032
Bond 7	A$422m	8 Nov 2023	15 years	8 Nov 2038	100% of the principal amount	5.785%	5.78%	+54.5bps	AAA	Semi-annually on 8 May and 8 Nov	Sustainability bond	AU3CB0304186
Total	**$2,679m**											

denotes FY24.

19. Spread compared to ACGB benchmark bond of equivalent tenor at the time the bonds were priced. Note BBSW is not a government bond benchmark.

Appendix B: Use of proceeds

Bond 1

Issue date: 28 March 2019 (increased on 6 Dec 2023); Maturity date: 28 March 2029; Volume: A$350m

Name of CHP	Loan amount ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[20]	Tenancy mix	Project Status
BlueCHP Limited	70	–	$50m to refinance debt originally used to fund construction and acquisition of 318 homes. $20m working capital to assist in development of 87 single homes.	Sydney metro	NSW	Women over 55, key workers. Single women with children.	59% affordable, 41% social	St Marys complete, Jordan Springs ongoing
Community Housing Limited	35	–	$32m to refinance debt originally provided to construct or acquire 160 properties across WA and NSW. $3m working capital to assist with equity investment in affordable housing projects.	Regional NSW Perth metro	NSW WA	First Nations people, people living with a disability. Tenants on low to moderate income.	51% affordable, 49% social	N/A
Home in Place (previously Compass Housing Limited)	45	–	Refinance debt that was originally used to assist in the delivery of 404 homes as part of Vested Leverage Program commitment to NSW FACS.	Northern and regional NSW	NSW	People living with a disability. Tenants on low incomes.	69% social, 31% affordable	N/A
Evolve Housing	70	–	$50m to refinance debt originally used to fund the development of 128 units. $20m working capital to assist in the development of 30 new units and acquire further development sites.	Sydney metro	NSW	Women over 55, people living with a disability, people on low incomes, single women with children and couples over 65.	72% social, 28% affordable	Working capital deployed
Hume Housing	35	–	$30m to refinance debt that was originally used to construct 111 homes in Sydney. $5m working capital for replacing non-conforming cladding and ongoing maintenance of properties.	Sydney metro	NSW	Tenants on low incomes and migrants with English as a second language.	58% social, 42% affordable	N/A
UnitingSA Housing Limited	7	–	The $7m Housing Australia loan has enabled the development of 27 community housing properties across Adelaide, and planning is underway for four single storey homes in Adelaide.	Adelaide metro and regional SA	SA	Women over 55 Tenants on low incomes, refugees, persons with mental health issues and disabilities, single.	68% social, 32% affordable on 53 homes	Expected for completion 2026
Unity Housing Company Limited	38	–	$32.5m to refinance debt originally used to construct and retain 182 units in Adelaide. $5.5m working capital to assist in the development of 113 homes over 10 years.	Adelaide metro	SA	People living with a disability. Tenants on low incomes.	70% affordable over 385 homes, 30% social	Projects ongoing
St George Community Housing (SGCH)	15	–	$10.2m to refinance debt originally used to acquire homes in Sydney. $4.8m working capital for future site acquisitions and development projects.	Sydney metro	NSW	Tenants on low to moderate incomes, First Nations people, people living with a disability.	100% affordable	N/A
Evolve Housing	32	–	The $32m AHBA loan was used to fund 93 affordable homes in metro Sydney NSW as part of a larger development.	Sydney metro	NSW	Older women, First Nations people, key workers.	100% affordable	N/A
Total	**$347m**							

20. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This table reflects the cohort groups at time of funding.

Appendix B: Use of proceeds continued

Bond 2

Issue date: 27 Nov 2019; Maturity date: 27 May 2030; Volume: A$315m

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[21]	Tenancy mix	Project Status
Anglicare SA Housing Ltd	32	–	Demolition of 14 x one-bedroom units with communal facilities and car parking and construction of 16 x two-bed units for social housing residents aged over 55 years. Land acquisition to build 36 new homes. Land acquisition for potential development of a mix use hub, including multi-storey affordable and social housing for key workers. Home acquisition to provide shared accommodation for disability social housing clients. $5.3m from working capital owing for Rent to Buy Affordable Housing and land purchase in Adelaide, which will be paid back to ASA from ASA Housing.	Adelaide metro	SA	People living with a disability, First Nations people, women leaving family violence and youth. Over 55s, percentage for each cohort will be tailored by the final design and home location suitability.	70% social, 30% affordable	Project is complete
Bridge Housing	51.14	–	$40m to refinance previous corporate debt facility which funded developments delivering 78 additional social and affordable housing homes as well as provide funding for the acquisition of a development site. A further $11.14m was used to acquire three complexes providing an additional 30 social housing homes.	Sydney metro	NSW	Key workers. Tenants located in social housing under the Community Housing Leasing Program and on the Social Housing waiting list as high priorities.	80% social, 20% affordable	N/A
Churches of Christ Housing Services Limited	4.86	–	Refinancing of existing corporate debt secured through the parent entity originally used to construct a 50-unit build-to-rent affordable housing development with an attached community centre.	Regional Qld	Qld	Affordable housing option for individuals and families living or working in the Moreton Bay region.	100% affordable	N/A
Foundation Housing, WA	35	–	Refinance of debt facility with NAB, originally sourced for the acquisition and development of properties.	Perth metro and regional WA	WA	Tenants requiring social and affordable housing. Prospective tenants are predominantly matched from the WA Housing joint waitlist to the available units of accommodation based on property and tenant criteria.	79% social, 21% affordable	N/A
Haven Home Safe, Vic	65	–	Core refinance of $54.39m refinance of existing facilities with the Bendigo Bank. Part debt funding of $5.71m to enable completion of current housing development projects, including the construction and redevelopment of 99 homes in metropolitan and regional Victoria at an estimated cost of $31.6m. General corporate working capital of $4.9m towards (directly and indirectly) improve housing outcomes for low-income Victorians.	Regional Vic	Vic	People living with a disability, women leaving family violence, First Nations people, youth. Tenants on low to moderate incomes, people over 55. As participants of the shared Victorian Housing Register (VHR), Haven Home, Safe (HHS) allocates an agreed percentage of people categorised as 'priority access' or in greatest need to available property vacancies. This cohort is defined by their immediate and urgent housing circumstances, not income.	70% affordable, 30% social	Project is complete

21. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This table reflects the cohort groups at time of funding.

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[22]	Tenancy mix	Project Status
Housing Choices Australia Limited	55	–	Refinance of core debt of $37m and $18m for the construction of 76 homes in the Melbourne region.	Melbourne metro	Vic	People living with a disability, women leaving family violence. Households on low to moderate incomes and older persons.	100% social	Project is complete
HousingFirst and Port Phillip Housing Trust (PPHT)	72	–	Refinance existing debt and build 167 brand new homes across metro Melbourne and refurbish two buildings.	Melbourne metro	Vic	People living with a disability, and women leaving family violence. Individuals and families on the Victorian Housing Register: primarily older people.	100% from Victorian Housing Register, with a minimum of 75% from the priority list: primarily older people, people living with a disability, and women leaving family violence	Projects completed
Total	**$315m**							

Bond 3

Issue date: 29 Jun 2020 (increased on 28 Mar 2022); Maturity date: 29 Jun 2032; Volume: A$695m

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[22]	Tenancy mix	Project Status
Argyle Housing	12	–	Refinance existing loan to lower interest rate with net amount to support affordable housing development and acquisitions in regional NSW.	Regional NSW	NSW	Individuals and families with a need for affordable housing.	100% affordable	N/A
BaptistCare	144	–	To refinance a CBA Loan Facility originally entered into as part of Social and Affordable Housing Fund (SAHF) 1 to construct 500 social and affordable homes across sites in NSW.	Sydney metro and regional NSW	NSW	Women leaving family violence, older people at risk of homelessness due to high cost and insecurity of private rental and single parent families.	70% social, 30% affordable	Projects completed
Bridge Housing	24.86	–	Funding of an acquisition program to acquire approximately 45 additional social housing homes.	Sydney metro	NSW	Tenants located in social housing under the Community Housing Leasing Program and on the Social Housing waiting list as high priorities. Affordable housing is targeted to key workers.	80% social, 20% affordable	N/A
Common Equity Housing Limited	50	–	$37m for core debt refinance. $3m to fund break costs of terminating interest rate swaps and $10m to fund the purchase of 23 new properties at Braybrook and Alphington	Melbourne metro and regional Vic	Vic	Eligible households will come from the Victorian Housing Register and likely to cover a broad range of low income and key worker households that require access to safe and secure affordable housing.	All households will be allocated off the Victorian Housing Register	N/A

22. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This table reflects the cohort groups at time of funding.

Appendix B: Use of proceeds continued

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[23]	Tenancy mix	Project Status
Housing Choices Tas	17	–	Refinance of $7.1m of core debt that was used to fund the construction of 60 properties and $9.9m for the construction of 170 low-density houses in regional Tas.	Regional Tas	Tas	Older women, women leaving family violence, and people living with a disability. The property portfolio is designed to meet the needs of a range of vulnerable cohorts across Tasmania.	100% social	Projects in East Devonport, Shorewell Park, Somerset and Latrobe are complete. West Ulverstone is in construction
Junction	26.14	–	$8.7m to refinance existing core debt which was originally used to construct over 140 new affordable homes. New construction of over 340 low and medium density affordable and social housing homes in Adelaide's inner south and Fleurieu Peninsula.	Adelaide metro and regional SA	SA	60% of tenants are over 50 years old with 70% being women. Junction is increasingly targeting vulnerable youth through various programs.	90% social, 10% affordable	Project in construction
Mission Australia	65	–	Core refinance: $58.5m refinance of existing debt which was originally used to purchase 137 homes under Nation Building Leverage commitment targets. Social Housing Management Transfer capital works of $2m. An additional $4.5m towards part of the Coffs Harbour Development Project.	Regional NSW	NSW	Most homes are for social housing eligible applicants in NSW and are on the NSW social housing register (priority listed). Single and older women.	90% social, 10% affordable	Project in construction
Pacific Link Housing	4	–	Reimbursement of the repayment of a $2.12m loan from a commercial bank that allowed Pacific Link Housing (PLH) to retain 15 affordable housing units for long term rental rather than sell them to retire development project debt. A further $1.4m is allocated towards a 12-unit housing development at Woy Woy on the Central Coast of NSW. The remainder ($480,000) will be applied for the acquisition of sites for future development projects and general working capital.	Regional NSW	NSW	Older women and women leaving family violence.	The tenancy mix will comprise affordable and market rental housing, with the final allocation to be determined on completion	Project is complete
St George Community Housing (SGCH)	210	–	SGCH Sustainability Limited is a subsidiary of the SGCH Group, established as an asset and debt holding special purpose vehicle. During the year, a $210m fully drawn facility was put in place with Housing Australia enabled to refinance loans to SGCH Sustainability. SGCH Group will refinance its existing debt to support 305 existing homes and build 235 new homes.	Sydney metro	NSW	First Nations people, older women and women leaving family violence.	70% social depending on the develop-ment and location, 30% affordable	Projects in construction
Women's Housing Limited	9	–	Refinance existing debt of $5.5m attached to developments across 3 sites The remaining $3.5m will be directed to new development opportunities as they arise and when capital funding becomes available.	Melbourne metro	Vic	Women leaving family violence and older women.	90% social, 10% affordable	Pre-construction

23. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This Table reflects the cohort groups at time of funding.

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[24]	Tenancy mix	Project Status
Home in Place (previously Compass Housing Services)	114.16	–	To fund the acquisition of properties and associated costs in the NSW Central Coast and Hunter regions under the NSW SAHF agreement.	Regional NSW	NSW	Women leaving family violence, women including single parents.	80% social, 20% affordable	N/A
Total	**$676.16m**							

Bond 4

Issue date: 2 Jun 2021 (increased on 30 Jun 2022 and 17 Aug 2023); Maturity date: 30 Jun 2036; Volume: A$435m[25]

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[24]	Tenancy mix	Project Status
Building Communities (Vic) Limited	344.3	–	The Building Communities consortium, led by Community Housing (Vic) Limited (CHL), under the Victorian Public Housing Renewal Program to deliver integrated social, affordable and private housing (build to rent) on 3 metropolitan Melbourne public housing sites, under an innovative 40-year concessional ground lease structure on Homes Victoria land. The project has a number of additional sustainability features including: NatHERS performance 7 star average; 6 star minimum for any individual apartment; Green star 5 star minimum as built rating; on site renewable energy supply through the provision of solar system; embedded network – equitable distribution of onsite generation and metering and monitoring systems; rainwater harvesting for toilet flushing and landscaping and water efficient fixtures; sustainable transport strategy and carshare solutions. The structure of the model sees CHL reinvest the returns made over the life of the project into more subsidised housing. Over the span of the 40-year life of the project, the total returns expected are around $200m.	Melbourne metro	Vic	Diverse/ mixed.	56% social, 29% private, 10% affordable, and 5% supported disability	Projects completed
Evolve Housing	20.52	–	Housing Australia's finance facilitated Evolve's participation in the NSW Community Housing Leasing Program ('CHLP') via financing the acquisition of approx. 200 existing and/or new homes across 5 Western Sydney LGAs to provide Social Housing (i.e. 100%) under the CHLP.	Sydney metro	NSW	Women leaving family violence, women and single parents.	100% social	N/A
City West Housing	15.7	–	Construction and term loan financing the development of 74 social and affordable apartments in inner-Sydney including a small commercial unit and 15 car parks in metro Sydney.	Sydney metro	NSW	Women leaving family violence and key workers. Single parents.	90% affordable, 10% social	Project in construction
Haven Home Safe	9	–	Loan facility supporting Haven Home Safe's participation in the Rapid Grant Round of Victoria's 'Big Housing Build' program which consists of 143 homes across eight sites.	Melbourne metro	Vic	Youth. Diverse disability including mental health issues, at-risk.	100% social	Project in construction
Building Communities (Vic) Ltd	23.5	–	Extension of the original GLM1 project, one site only.	Melbourne metro	Vic	Diverse/mixed.	77.2% affordable, 17.5% social, 5.3% specialist disability	Project in construction
Total	**$413m**	–						

24. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This Table reflects the cohort groups at time of funding.
25. Community Housing Queensland Limited's $4m bond was repaid early in April 2024 and no longer sits within this.

Appendix B: Use of proceeds continued

Bond 5

Issue date: 15 Jun 2021; Maturity date: 1 Jul 2031; Volume: A$362m

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[26]	Tenancy mix	Project Status
Common Equity Housing Limited	15	–	Funding will complete the repair and refurbishment of an existing multi-storey building, consisting of 80 social and affordable homes of two and three-bedroom apartments. The building is the site of an existing housing co-operative. The balance of funding will be used to support the equity portion of additional social housing that is being provided with grant funding through the Victorian Government's Big Housing Build initiative.	Melbourne metro	Vic	Women leaving family violence. Diverse – disability including mental health issues.	100% social and affordable	Project is complete
Foundation Housing, WA	45	–	To fund the acquisition of 98 affordable housing units, and 12 planned social housing units.	Perth metro	WA	Diverse – single parents.	89% affordable, 11% social	N/A
Housing Choices SA	16.5	–	Refinance $8.3m in core debt and construct 32 social homes. Bowden Project is a partnership with Nightingale Housing, Renewal SA & SA Housing Authority, HCSA to develop a carbon-neutral, 36 apartment complexes over six storeys. 14 homes have been pre-sold under the NGH ballot system and eligible for HomeBuilder.	Adelaide metro	SA	**Bowden** 50% of the development will be sold as affordable homes to singles, couples and small families under the Nightingale Ballot system, with a priority given to key workers and First Nations people. 50% of the development will be offered for rent as community housing, for singles, couples and small families, with five of these homes suitable for disability.	Bowden Project is 100% social and affordable	Project is complete
			Felixstow is a 14 homes development as part of the ROSAS contract. SAHA will provide the land to HCSA for the development and on completion HCSA will transfer 8 homes back to SAHA. The remaining 6 will be managed by HCSA under ROSAS with HCSA retaining titles for at least 40 years.			**Felixstow** 100% of the development will be offered as social housing, with 43% community housing suitable for older people. 57% of the homes returned to public housing will be suitable for couples and small families.	Felixstow is 100% social	Project in construction
Housing Choices Tas	8	–	To finance 80 new properties in Tasmania, as part of the Tasmanian State Government's Community Housing Grant Program (Round 2) and Extension.	Regional Tas	Tas	The property portfolio is designed to meet the needs of a range of vulnerable cohorts across Tasmania. With focus on: Priority Applicants from the Tasmanian Housing Wait List, women leaving family violence and people living with a disability.	100% social	Projects completed
Mission Australia	67.9	–	The loan will fund the purchase of a 130-apartment building to be used for affordable housing.	Sydney metro	NSW	Diverse.	92% affordable, 8% social	Project is complete

26. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This Table reflects the cohort groups at time of funding.

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[27]	Tenancy mix	Project Status
Pacific Link Housing	7	–	$3.4m for reimbursement of equity relating to an acquisition of 61 apartments. The acquisition allows for 100% ownership of the properties that can be leveraged as security for Housing Australia borrowing to underpin the development of new social, affordable and market rental housing. $1.1m for reimbursement of equity relating to land in Belmont, now being developed as 13 new social, affordable and market rental units. $0.6m refinancing of a commercial banking facility. $1.7m to fund general corporate working capital.	Regional NSW	NSW	Typically for older singles, eligible for social housing or people on low to moderate incomes who are eligible for affordable housing. Some of the apartments have been allocated for people experiencing homelessness under the NSW Government's Together Homes program. The Belmont development (when completed in 2022) will be targeted to older singles (predominately women) and couples.	Woy Woy – 65% social, 35% affordable Canton Beach – 50% social, 50% affordable. Belmont: 38% allocated as social housing, with the balance to be rented as affordable and market rent housing.	N/A
St George Community Housing (SGCH)	150	–	Total portfolio of $250m includes: – $120.2m refinancing of existing core debt and associated costs – $23.3m repayment of other loans – $22.7m construction finance to fund existing projects, including associated risk reserves – $73.7m construction finance to fund new projects – $10.1m debt services reserves.	Sydney metro	NSW	Children and youth disability, First Nations people.	100% social and affordable (mix)	N/A
Unison	53	–	The loan was refinanced from the existing NAB facility to support Unison in the development of new properties underway, new projects and within the Big Housing Build pipeline. At 31 August 2021, funds were used for the following purposes: – Core Refinance: $31m – Refinance existing core debt, a portion used in the construction of 100 new high-density homes – Turnkey property $12.5m – New Construction: construction of new homes approved as part of the Big Housing Build and new partnerships – General Corporate Working Capital: Provide an additional working capital to support housing outcomes.	Melbourne metro	Vic	Women experiencing or at risk of homelessness, especially single women.	100% social	Projects completed
Total	**$362.4m**							

27. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This Table reflects the cohort groups at time of funding.

Appendix B: Use of proceeds continued

Bond 6

Issue date: 15 Jun 2021; Maturity date: 1 Jul 2031; Volume: A$100m

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts[28]	Tenancy mix	Project Status
St George Community Housing (SGCH)	100	–	Total portfolio of $250m includes: – $120.2m refinancing of existing core debt and associated costs – $23.3m repayment of other loans – $22.7m construction finance to fund existing projects, including associated risk reserves – $73.7m construction finance to fund new projects – $10.1m debt services reserves.	Sydney metro	NSW	At-risk (homelessness, youth), disability, elderly, First Nations people.	100% social and affordable (mix)	Expected to be finalised Oct 2024

Bond 7

Issue date: 8 November 2023; Maturity date: 8 November 2038; Volume: A$422m

Name of CHP	Loan amt ($m)	Undistributed proceeds ($m)	Loan purpose	Geographic concentration	State	Target cohorts	Tenancy mix	Project Status
Building Communities (Vic) Limited	421.8	–	The Building Even Better Communities consortium is responsible for delivering the Ground Lease Model 2 project which aims to deliver 1,370 sustainable and high-quality homes that contribute to health and wellbeing, the longevity of housing stock and minimising the cost of living for tenants. Financing will contribute to the redevelopment of ageing public housing across four sites in Melbourne, Victoria with a diverse mix of social, affordable, market rental dwellings and specialist disability accommodation. The buildings focus on resource consumption, environmental impacts, and future readiness through assessment of core environmental components such as climate risk and energy security. All sites in the Project must achieve the following minimum requirements including a NatHERS performance 7 star average; 6 star minimum for any individual apartment; Green star 5 star minimum as built rating.	Melbourne metro	Vic	Women at risk, people living with a disability, First Nations people and key workers.	48% social, 13% affordable, 35% market, 4% SDA	Projects in construction

28. In light of significant changes to Housing Australia's responsibilities in 2023–24, its classification of cohort groups has been revised and rationalised. This table reflects the cohort groups at time of funding.

Appendix C: Independent Assurance Report

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Ernst & Young
200 George Street
Sydney NSW 2000 Australia

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Independent Reasonable Assurance Statement to the Directors and Management of Housing Australia

Assurance conclusion

Ernst & Young ('EY', 'we') were engaged by Housing Australia ("HA") to undertake a reasonable assurance engagement as defined by Australian Auditing Standards, hereafter referred to as the assurance procedures, to report on the Subject Matter defined below for the year ended 30 June 2024. In our opinion HA's Post-Issuance process, in relation to Social Bonds (Bonds 1,2,3,5, and 6) and Sustainability Bonds (Bond 4 and 7), as described in HA's Affordable Housing Bond Aggregator's ("AHBA") Sustainability Bond Framework, is presented, in all material respects, in accordance with the criteria defined below.

Subject Matter and Criteria

The subject matter and associated criteria for the assurance is set out in the table below:

Subject Matter	Criteria
Post-issuance process for HA's Social Bonds (Bonds 1, 2, 3, 5 and 6) and Sustainability Bonds (Bond 4 and 7) as described in HA' Sustainability Bond Framework, including: ▸ Eligibility of assets funded by the Bond, as noted in the Loan Facility Agreements and Implementation Agreements with Community Housing providers ▸ Use of proceeds ▸ Management of proceeds ▸ Reporting on the use of proceeds and performance of the Bond, as disclosed in HA's Social Bond Report	Social Bond Criteria: ▸ International Capital Markets Association's Social Bond Principles ('SBPs') ▸ Green Bond Principles ▸ HA's internal policies and procedures, as documented in HA's Sustainability Bond Framework May 2023 Sustainability Bond Criteria: ▸ International Capital Markets Association's Social Bond Principles ('SBPs') ▸ International Capital Markets Association's Green Bond Principles ('GBPs') ▸ HA's internal policies and procedures, as documented in HA's Sustainability Bond Framework May 2023

Other than as described in the table above, which set out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion on this information.

Key responsibilities

HA's responsibility

HA's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on the evidence we have obtained.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our approach to conducting the assurance procedures

We conducted our assurance procedures in accordance with the Australian Auditing and Assurance Standards Board's Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ASAE3000') and the terms of reference for this engagement as agreed with HA 29 April 2024. That standard requires that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report.

Summary of assurance procedures performed

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- Conducted interviews with personnel to understand the business and reporting process
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Reviewing the policies and procedures in the Framework to assess alignment to the requirements of the SBPs and GBPs.
- Assessed that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- Tested, on a sample basis, underlying source information to assess the accuracy of the data

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- Testing the eligibility of assets for inclusion in HA's Social and Sustainability Bonds against the Framework and the SBP and GBP.
- Reviewing the loan purpose and value set out in final loan agreements to Community Housing Providers to calculate the total value of eligible assets
- Reviewing the allocation and disbursement of net proceeds raised from the Social and Sustainability Bonds to eligible asset
- Obtaining a Letter of Representation from HA Management
- Confirming that the HA's Social Bond Report contains the required disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Inherent limitations

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

While our procedures performed for our reasonable assurance engagement are of a high level of assurance, due to the use of sampling techniques, it is not a guarantee that it will always detect material misstatements.

Other matters

Our report does not extend to any disclosures or assertions made by HA relating to future performance plans and/or strategies disclosed in HA's report and supporting disclosures online.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of HA, or for any purpose other than that for which it was prepared

Ernst & Young
Sydney, Australia
25 October 2024

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Annex A

List of eligible assets for HA's First, Second, Third, Fifth and Sixth Social Bond & Fourth and Seventh Sustainability Bond[1]

Bond issuance	Eligible Asset	Value as at 18 October 2024 (AUDm)	State	Purpose
Social Bond 1 (March 2019)	BlueCHP Limited	70.0	NSW	Refinancing of core debt and additional capital for development of more affordable housing, including the acquisition of new sites.
	Community Housing Limited	35.0	NSW/ WA	Refinancing of existing debt and additional capital to assist with further developments of affordable housing.
	Home in Place (previously Compass Housing Limited)	45.0	NSW	Savings on refinancing of debt that will assist in funding maintenance and community services.
	Evolve Housing	70.0	NSW	Savings on refinancing of debt that will assist in funding more development and community services. Refinancing of existing debt facility and additional capital for the development of new units and site acquisitions.
	Hume Housing	35.0	NSW	Funding to assist with portfolio maintenance, community programs including health education, transition housing, work readiness and potential future development sites. Refinancing of existing debt facility and additional capital for ongoing maintenance of existing portfolio.
	UnitingSA Housing Limited	7.0	SA	Refinancing of existing debt plus extra for the development of new social and affordable townhouses. Funding to assist with development of community housing properties, both social and affordable.
	Unity Housing Company Limited	38.0	SA	Refinancing existing debt facility and additional capital for the construction of development projects.
	St George Community Housing Limited (SGCH)	15.0	NSW	Refinancing of existing debt facility and additional capital for further developments of affordable housing
	Evolve Housing	32.0	NSW	Funding for the construction of additional affordable and social housing units in NSW.
Social Bond 2 (November 2019)	Anglicare SA Housing Ltd	32.0	SA	Refinancing and repayment of existing debt plus extra to assist with further developments of affordable housing. Demolition of existing facilities and land acquisition for future developments of social and affordable housing.

[1] All eligible assets are loans to the named Community Housing Providers (see Table above), as indicated by the final loan agreements reviewed.

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Bond issuance	Eligible Asset	Value as at 18 October 2024 (AUDm)	State	Purpose
	Bridge Housing	51.14	NSW	Refinancing of existing debt and additional capital to assist with further developments of affordable housing, including acquisitions and potential future development of sites.
	Churches of Christ Housing Services Limited	4.86	QLD	Refinancing of existing debt to assist with further developments of affordable housing.
	Foundation Housing, WA	35.0	WA	Refinancing of existing debt to assist with acquisition and development of properties.
	Haven Home Safe	65.0	VIC	Refinancing and repayment of existing debt and additional capital to assist with further developments of affordable housing.
	Housing Choices Australia Limited	55.0	VIC	Refinancing of existing debt plus extra to assist with further developments of affordable housing.
	HousingFirst and Port Phillip Housing Trust (PPHT)	72.0	VIC	Refinancing of existing debt to assist with further developments of affordable housing, including acquisitions and housing refurbishments.
Social Bond 3 (June 2020)	Argyle Housing	12.0	NSW	Refinancing of existing debt to assist with further developments of affordable housing and acquisitions.
	BaptistCare	144.0	ACT	Refinancing a CBA Loan Facility originally entered into as part of Social and Affordable Housing Fund (SAHF) 1 to construct 338 social and affordable dwellings across sites in NSW.
	Bridge Housing	24.86	NSW	Funding of an acquisition program to acquire approximately 45 additional social housing dwellings.
	Community Equity Housing Limited	50.0	VIC	Refinancing of core debt plus extra to assist with further developments of affordable housing, including acquisitions.
	Housing Choices Tas	17.0	TAS	Refinancing of core debt plus extra to assist with further developments of affordable housing.
	Junction	26.14	SA	Refinancing of core debt plus extra to assist with further developments of affordable housing.
	Mission Australia	65.0	NSW	Refinancing of core debt plus extra to assist with further developments of affordable housing.
	Pacific Link Housing	4.0	NSW	Reimbursement of the repayment of a loan from a commercial bank that allowed Pacific Link Housing (PLH) to retain 15 affordable housing units for long term rental rather than sell them to retire development project debt and additional capital to assist with further developments of affordable housing and acquisitions.

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Bond issuance	Eligible Asset	Value as at 18 October 2024 (AUDm)	State	Purpose
	SGCH	210.0	NSW	Refinancing existing debt to support 305 existing dwellings and build 235 new homes.
	Women's Housing Limited	9.0	VIC	Refinancing of existing debt plus extra to assist with further developments of affordable housing.
	Home in Place (previously Compass Housing Services)	114.16	NSW	To fund the acquisition of properties and associated costs in the NSW Central Coast and Hunter regions under the NSW SAHF agreement.
Sustainability Bond 4 (June 2021)	Building Communities (Vic) Limited	344.3	VIC	To fund integrated social, affordable and private housing (build to rent) on three metropolitan Melbourne public housing sites, under an innovative 40-year concessional ground lease structure on Homes Victoria land. The project has a number of additional sustainability features.
	Evolve Housing	20.52	NSW	Funding for acquisition of up to 200 social dwellings across Southern and Western Sydney to support the NSW Governments Community Housing Leasing Program.
	City West Housing	15.7	NSW	Funding to assist in the delivery of a 74-dwelling affordable housing complex on Bourke Street, Waterloo, NSW
	Haven Home Safe	9.0	VIC	Working capital funding to assist with the construction of 149 social dwellings across nine sites in regional and metropolitan Victoria.
	Building Communities (Vic) Limited	23.5	VIC	To fund integrated social, affordable and private housing (build to rent) on three metropolitan Melbourne public housing sites, under an innovative 40-year concessional ground lease structure on Homes Victoria land. The project has a number of additional sustainability features.
Social Bond 5 (June 2021)	Housing Choices Tas	8.0	TAS	To finance 80 new properties in Tasmania, as part of the Tasmanian State Government's Community Housing Grant Program (Round 2) and Extension.
	Foundation Housing, WA	45.0	WA	Funding for the acquisition of 98 affordable housing units, and 12 planned social housing units
	Unison	53.0	VIC	Refinance of existing debt facility to support Unison in the development of new properties underway, new projects within the Big Housing Build pipeline, and general working capital for housing outcomes.
	Common Equity Housing Limited	15.0	VIC	Funding will complete the repair and refurbishment of an existing multi-story building, the Ringwood project, consisting of 80

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EY
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Bond issuance	Eligible Asset	Value as at 18 October 2024 (AUDm)	State	Purpose
				social and affordable dwellings of two- and three-bedroom apartments.
	Pacific Link Housing	7.0	NSW	Reimbursement of equity relating to an acquisition of 61 apartment developments at Woy Woy and Canton Beach and land in Belmont, now being developed as 13 new social, affordable and market rental units. To also refinance existing commercial banking facility, and general corporate working capital.
	Housing Choices SA	16.5	SA	Refinancing of existing debt plus extra to assist with further developments of affordable housing.
	Mission Australia	67.9	NSW	The loan will fund the purchase of a 130-apartment building to be used for affordable housing
	St George Community Housing (SGCH)	150.0	NSW	Refinancing of existing debt plus extra to assist with further developments of affordable housing.
Social Bond 6 (June 2021)	St George Community Housing (SGCH)	100.0	NSW	Refinancing of existing debt plus extra to assist with further developments of affordable housing.
Sustainability Bond 7 (November 2023)	Building Communities (Vic) Limited	421.8	VIC	Funding or reimbursing project costs, funding the development of market, social & affordable housing and paying accrued interest.
Total value of eligible assets		**2,635.4**		

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Appendix D: Abbreviations and acronyms

Term	Description
Affordable housing	Housing provided to low to moderate income earners, whose incomes are insufficient to enter the private market. Affordable housing rents are typically set at a discount to market rent (at least 25 per cent), or as a proportion of gross household income (~25 to 30 per cent). However, there can be different eligibility requirements, such as being a key worker. Affordable housing is usually managed by not-for-profit Community Housing Providers.
AIHW	Australian Institute of Health and Welfare
AHBA	Affordable Housing Bond Aggregator
ARC	Audit and Risk Committee
AUD	Australian Dollar
CHIA	Community Housing Industry Association
CHP	Community Housing Provider
Community housing	Comprises different types of housing provided by for not-for-profit organisations for people on low and very low incomes and/or people in need. This includes: social housing, affordable housing, specialist disability accommodation and transitional housing
CRD	Climate Reporting Disclosure
ESG	Environment, Social and Governance
EY	Ernst and Young
First Nations	Those who identify as Aboriginal and/or Torres Strait Islander people
GBP	Green Bond Principles developed by ICMA
Greenstar	A voluntary, internationally recognised rating system for healthy, resilient, positive buildings and places
GSS	Green, Social and Sustainability
HAFFF	Housing Australia Future Fund Facility
HGS	Home Guarantee Scheme
Housing Australia Act	*Housing Australia 2018*
ICMA	International Capital Market Association
Impact	The attribution of an organisation's activities to broader and longer-term outcomes. These may take a certain number of years to become evident after the project activities are completed and in certain cases may be experienced only after the bond has matured e.g., the reduction in health issues related to homelessness attributed to the efforts of the funded project
ISSB	International Sustainability Standards Board
NatHERS	National Household Energy Rating Scheme for new homes. It provides a pathway to meet the mandatory National Construction Code
NHAF	National Housing Accord Facility
NHFIC	National Housing Finance and Investment Corporation
NHIF	National Housing Infrastructure Facility
Outcome	The changes, benefits, learnings or other effects (long and short-term) that result from the organisation's activities that are likely to occur as result of the output e.g., reduced rental costs for the target population compared to the national or regional rent index.
Output	Tangible or intangible practices, products and services that result from an organisation's activities. They should be measurable and readily determined and able to be (externally) verified e.g., the number of affordable homes built or homeless people accommodated.
PGPA Act	*Public Governance, Performance and Accountability Act 2013*

Appendix D: Abbreviations and acronyms continued

Term	Description
SBG	Sustainability Bond Guidelines as defined by ICMA
SBP	Social Bond Principles as defined by ICMA
SIGMAH	Social infrastructure and green measures of affordable housing
Social housing	Government-subsidised housing for people on low incomes. It includes public housing (housing provided and managed by a state/territory government), state-owned and managed First Nations housing, community housing and First Nations community housing. Rents are usually set as a proportion of household income
SPO	Second Party Opinion
UN SDGs	United Nations Sustainable Development Goals
UoP	Use of Proceeds

i. Melbourne Institute, customized data request, the Household Income and Labour Dynamics in Australia Survey, 2021 release.
ii. Housing All Australians, Give Me Shelter report available at https://housingallaustralians.org.au/what-we-do/give-me-shelter/.

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